

CITY OF TAKOMA PARK, MARYLAND
(Adopted 3/28/05)

PRESENTATIONS, REGULAR MEETING & WORKSESSION
OF THE CITY COUNCIL

Monday, March 14, 2005

OFFICIALS PRESENT:

Mayor Porter
Councilmember Austin-Lane
Councilmember Barry
Councilmember Elrich
Councilmember Mizeur
Councilmember Seamens
Councilmember Williams

City Manager Matthews
City Clerk Waters
Deputy Public Works Director Braithwaite
Senior Planner Inerfeld
Arborist Linkletter

The City Council convened at 7:42 p.m. in the Council Chambers of the Municipal Building, 7500 Maple Avenue, Takoma Park, Maryland.

COUNCIL COMMENTS

Councilmember Seamens stated concerns about the operations of the Finance Department (e.g., over-expenditure of contractual costs). He suggested an “outside” audit—beyond the audit work that is currently performed by the City’s contracted audit firm. He would like a more detailed and outside look at the City’s books, accounts and funds.

Mayor Porter suggested that this could be scheduled as a future agenda item, allowing the City Manager an opportunity to prepare a response.

Councilmember Austin-Lane remarked about the public forum on rail transport of hazardous materials, noting College Park’s efforts. She reminded the audience about this Saturday’s Emergency Preparedness Forum.

Ms. Porter thanked Ms. Austin-Lane for her efforts to put together the forum and provide some very useful information. She said that in reviewing the minutes she was reminded that the Council received a briefing last Spring about the design change for the City’s logo and encouraged that the Council be more gentle with staff when we think we have not been briefed in a timely matter, because we may be mistaken.

AGENDA CHANGES

(See Agenda)

ADOPTION OF MINUTES--

Moved by Williams; seconded by Barry.

With the exception of proposed minutes for 2/22/05, other documents noted on the agenda were adopted unanimously (VOTING FOR: Porter, Austin-Lane, Barry, Seamens, Williams; ABSENT: Elrich, Mizeur).

PUBLIC COMMENTS

Nelly Moxley, PineCrest Association President remarked about the Orchard Avenue park. She commented on the need for crosswalks in the neighborhood and requested that the City take action. She wants to see areas designated as “no parking” to better accommodate bus parking and school children, pedestrian and vehicular traffic. She thanked the Council for their work in the neighborhood.

PRESENTATION

1. VFW Post 350 Community Recognitions.

Ms. Porter noted the recognitions for the evening.

VFW Post Commander John Davis read citations for Edna Fiske (2003 TPVFD Lady’s Auxiliary award recipient) and Takoma Park Officer Pfc. Pedersen (2003 Takoma Park Officer of the Year)

Ms. Porter added the Council’s recognition, noting that the Council has formally recognized Pfc. Pedersen, and commenting on Ms. Fiske’s long-time work with the Lady’s Auxiliary.

Mr. Seamens remarked that he visited TPVFD Chief Jarboe, who wanted to pass along his appreciation for the fine work contributed to the department.

Mr. Williams thanked Ms. Fiske for her support, ranging over four, family generations.

Ms. Austin-Lane seconded the remarks, adding her appreciation.

Ms. Fiske remarked about her dedication to the Takoma Park Fire Station. She commented on the assistance she receives from her daughter to be present for various activities. The family has been involved since 1943. She encouraged the City’s continued support to retain the department in the City.

Mr. Seamens suggested that there be reminders to the department, on Chief Jarboe’s behalf, that

commitments be filled by others, during the period of his recovery.

PRESENTATION

2. Update on Community Center Construction Project.

City Manager Matthews noted the site review conducted today. There is a concern about the staffing level in certain construction areas. We have heard from the contractor in the past week that the completion date may be extended due to the flood wall balloon construction. Ms. George has been asked to pursue a temporary occupancy permit through discussions with the County. She noted the “Base Bid” construction drawing and the original proposal for brick pavers, explaining the 5 inch depression that was planned for later funding of brick pavers which would fill the space. As mentioned, previously, to the Council staff is exploring a concrete surface. She noted the areas under consideration for limited pavers. In looking at the options, staff tried to identify the place where the pavers being sold by the Takoma Foundation could be installed. We asked the contractor to identify a price of light weight concrete and to include options with respect to tinted concrete. She restated cost estimates as previously stated last week. The cost differential between concrete and the pavers is about \$60,000. Staff needs the Council’s direction. The contractors are ready to move forward.

Mr. Seamens responded that he would like to see the pavers on the entire bridge and not along the side pathways.

Ms. Matthews requested clarification about whether his request relates to the Takoma Foundation pavers or in general.

Mr. Seamens stated that his remark was in general terms.

Ms. Porter asked for clarification about the areas being identified for pavers.

Ms. Matthews responded, noting that the cost figure for the paver option is approximately \$110,000—affording pavers that would surround the building. She commented on the concrete option with would allow area for installation of the pavers being sold by the Takoma Foundation. If the Foundation did not sell enough pavers, the City would need to purchase “blank” bricks to fill-in spaces for the future brick purchases.

Ms. Porter confirmed that the proposed area is essentially a square in front of the building entrance doors.

Mr. Williams commented about the bricks that would need to be purchased and the spares that would be traded with future engraved bricks.

Ms. Austin-Lane said that she wants to make sure that the pavers/bricks are located in a place

that they are not hazardous (due to deterioration).

CONSENSUS - The direction to staff was to pursue a combination of concrete and pavers in the least cost option.

Councilmember Elrich stated that this is the kind of outcome that least supports the approach of value engineering.

Ms. Matthews agreed with the sentiment. The contractor brought this to her attention, and it was evident in the site walk-through. The areas were left so as to not cut-off the option of the pavers. We are now in a position of adding this cost back into the project.

Councilmember Barry said the he remains concerned about the number of workers visibly on-site. It seems like progress is not being made at a sufficient rate. He does not want the blame to be placed in the wrong area; however, he wants a weekly evaluation of the workers on site.

Ms. Matthews acknowledged his comments. Staff did a walk-through of the upper level and compared the project plan/schedule with the visible progress.

Mr. Seamens asked if we have a new completion date and are there delay penalties the City can impose.

Ms. Matthews responded that she is hesitant to state, in public, the completion date since things are still being discussed. She remarked about the contractual stipulations that relate to delay costs. The next issue involves the construction of the skylight options. Originally, there were three, proposed skylights. There have already been discussions between the architects (cited by Mr. Norway and Mr. Nunez (with respect to input regarding green features). Abell and Associates have taken a close look at the skylight options. She urged the Council to move forward with consideration of roof construction that may later support a skylight installation.

Ms. Porter questioned how the Council would proceed if they were to decide to install the skylight.

Ms. Matthews remarked that Mr. Nunez had identified a Colorado company which could install the skylight. We could start having initial discussions with roofers, but would need to have an idea of design. We would also have to have some type of support structure fabricated.

Ms. Porter questioned the impact of the Council deciding to put off a decision on the skylight until we get bids on the renovation of the main level. Could we move forward with some preliminary investigation?

Mr. Seamens said that his preference is that staff focus on budget preparation. It is imperative that this be the focus and that we look toward areas to better fund the center.

Ms. Porter and Mr. Williams agreed that these are not competing issues.

Mr. Williams pointed out that the work related to the skylight would not be primarily, work of City staff.

Ms. Matthews noted that we would need the architect's assistance in identifying the locations of roof penetrations.

Mr. Williams asked for a cost estimate with the roof work (i.e., consult with the architect and Charron, if necessary). What would it cost to prepare bid specifications?

CONSENSUS - The Council agreed on this suggestion.

Ms. Matthews continued the presentation, noting that the other items are informational. There were two construction change directives--work related (i.e., flood wall and barrier and installation of railings (pricing higher than originally estimated)). Railings were not included in the contractor's pricing.

Mr. Williams remarked that this is another example of "de-valued", value-engineering.

Ms. Matthews said that with respect to the plaza level, staff hopes to bring a plan to the Council in mid-May. We will be getting prices on the security system. Staff feels that this is important. It will be included in the bid package. We want to provide four weeks for bidders to do a walk-through and then provide a presentation to the Council. We plan to put out the RFP in the next two weeks.

Mr. Seamens remarked about the parking overflow at the Piney Branch Community Center that he observed over the weekend at a public event. It makes him concerned about our potential parking concerns.

Ms. Matthews recognized the concern, ensuring that staff is working on the update of the change orders associated with the City's project.

Mr. Williams requested an updated chart of expenses and the overall budget for the project.

Ms. Matthews replied that Ms. George is preparing this information

Ms. Austin-Lane posed a question about the barricade and sidewalk configuration.

Ms. Matthews responded, offering to follow up with Public Works in the morning.

REGULAR MEETING

3. Resolution re: Takoma Park Community Band.

Mr. Seamens remarked about the history of the band and its contributions within and outside of the City's limits. He commented about the configuration of the band (e.g., jazz and concert venues), recognizing their 30th Anniversary.

Moved by Seamens; seconded by Austin-Lane.

Ms. Porter added her support for the resolution and appreciation for the band's contributions to the community events.

Mr. Seamens noted that the President of band is in the audience.

Resolution #2005-15 was adopted unanimously (VOTING FOR: Porter, Austin-Lane, Barry, Elrich, Seamens, Williams; ABSENT: Mizeur).

RESOLUTION #2005-15 (Attached)

A formal presentation was made by Mayor Porter and Councilmember Seamens.

4. Resolution re: Arbor Day.

Ms. Porter described the resolution, designating the observance of Arbor Day in the City.

Moved by Barry; seconded by Austin-Lane.

Resolution #2005-16 adopted unanimously (VOTING FOR: Porter, Austin-Lane, Barry, Elrich, Seamens, Williams; ABSENT: Mizeur).

RESOLUTION #2005-16 (Attached)

5. 1st Reading Ordinance re: Purchase of Trash Truck.

Deputy Public Works Director Braithwaite commented on the ordinance. The Sanitation Division is very happy about the Council's consideration of this purchase. Staff has talked to the vendor and feels comfortable that the cost will remain set until we complete our process.

Ms. Porter noted the cost and bid process.

Ms. Austin-Lane questioned whether staff got a sense about the "liquidation income" (resale value) of the truck.

Ms. Braithwaite responded that there is no firm figure. We got a sense that there is a strong market for a trash truck. However, they lose value once purchased. We could not get a clear indication of the liquidation income. The Mechanic seems to think that we could get a couple thousand dollars for the old truck.

Moved by Barry; seconded by Williams.

The 1st Reading Ordinance was unanimously accepted (VOTING FOR: Porter, Austin-Lane, Barry, Elrich, Seamens, Williams; ABSENT: Mizeur).

ORDINANCE #2005-7
(Attached)

6. Resolution re: Subdivision at 501 Philadelphia Avenue.

Senior Planner Inerfeld explained the resolution, noting the last discussion of the Council to take “no position.”

Ms. Matthews remarked about our MOU with M-NCPPC and the importance of going on record.

Mr. Williams agreed.

Moved by Austin-Lane / seconded by Williams.

Resolution #2005-17 was adopted unanimously (VOTING FOR: Porter, Austin-Lane, Barry, Elrich, Seamens, Williams; ABSENT: Mizeur).

RESOLUTION #2005-17
(Attached)

7. 2nd Reading Ordinance re: Charron Consultants - Contract Extension.

Ms. Matthews explained the ordinance and the services provided by the consultant. She referred to the information in the cover sheet and anticipated threshold of the extended contract.

Moved by Williams; seconded by Barry.

Mr. Elrich remarked that the contract seems like a lot of money in light of what is left to do and the lack of complexity of what is involved in the remaining work.

Ms. Matthews responded, explaining that in bringing the figure forward, staff was trying to be cost sensitive, but not to be short of the possible expense. She noted the original contract, extension by the former City Manager, and the current, recommended extension. She hopes that we will not reach the limit identified in the ordinance.

Ms. Porter commented that we do not want to have to spend this money, but thinks that we have benefitted from Charron's counsel.

2nd Reading Ordinance #2005-5 was adopted unanimously (VOTING FOR: Porter, Austin-Lane, Barry, Elrich, Seamens, Williams; ABSENT: Mizeur).

ORDINANCE #2005-5
(Attached)

8. CONSENT AGENDA (REVISED)

A. Resolution re: Emergency Preparedness Committee.

Mr. Williams noted that member terms are not mentioned in the resolution. Additionally, if the Council is going to consider term lengths, we need to consider membership total (not clearly defined).

Deputy City Manager Hobbs indicated that terms were not defined in the original Ordinance.

Ms. Porter confirmed the Council's agreement that we should revise the original Ordinance to set member terms.

Mr. Williams proposed that they be 3-year terms.

CONSENSUS - Postpone consideration of Resolution pending staff recommendation of legislative revision(s) to address concern.

B. Safe Roadways Committee.

Mr. Williams remarked about the provisions related to appointing a person to an unexpired term. He moved the resolution, noting the intended extension into the next term (pursuant to the City Code).

City Clerk Waters offered further comments on the Takoma Park Code provision regarding "short-term" appointments.

Resolution #2005-18 was adopted unanimously (VOTING FOR: Porter, Austin-Lane, Barry, Elrich, Seamens, Williams; ABSENT: Mizeur).

RESOLUTION #2005-18
(Attached)

C. Advertising of Committee Vacancies.

Ms. Porter explained why she pulled this item off of the consent agenda. There have been several revisions since the time it was first presented. She wants to offer the Council and public the opportunity to discuss the revised version of the resolution.

Moved by Williams; seconded by Elrich.

Ms. Porter made further comments about the intent of the revision to the original resolution.

Resolution #2005-19 was adopted unanimously (VOTING FOR: Porter, Austin-Lane, Barry, Elrich, Seamens, Williams; ABSENT: Mizeur).

RESOLUTION #2005-19
(Attached)

D. Old Town Business Association (OTBA) “Business Works Application.”

Moved by Austin-Lane; seconded by Williams.

Resolution #2005-20 was adopted unanimously (VOTING FOR: Porter, Austin-Lane, Barry, Elrich, Seamens, Williams; ABSENT: Mizeur).

RESOLUTION #2005-20
(Attached)

WORKSESSION

9. Noxious Growths and Undesirable Trees.

Ms. Porter explained the direction at the time revisions were adopted to the Tree Ordinance--to bring these regulations to the Council before publication.

Arborist Linkletter recalled the direction and the concerns about bamboo and noxious growth species. He remarked about the removal of bamboo, noting that the proposed regulation has recommended methods of mechanical and chemical means for control. He commented on the 6-foot rule, when it comes to proximity of growth to a neighboring property. The removal will not be possible in one season. Removal of this kind will take a number of years. Residents will

need to put down a barrier at the 6-foot interval, buried 2-3 feet deep. He noted the barrier options available. The Committee on the Environment (COE), in their letter, mentioned that the City should just reference the University of Maryland (UMD) extension service and publications as relates to recommended methods of control. He agreed that this is a good revision to the regulation—essentially putting the responsibility on the UMD publication to update methods.

Ms. Porter noted the message from resident Robert Padulah, as well as the photos that he has distributed to the Council this evening. We need to have the “control” issue addressed. She referred to the regulation, suggesting that there should be clarifying language. She suggested that we add to it the “leaning over” aspect which may breach the 6 foot distance.

Mr. Williams remarked that if we want to prevent bamboo from leaning, we would have to legislate that it be set back to a distance almost equivalent to its full height, from the property line, to prevent it from impeding on the neighboring property. He further remarked about the falling of tree and other vegetation debris, in general. We do not want to be in the business of controlling the leaning aspect.

Mr. Linkletter said that we need to consider whether this is enforceable. There is a lot of bamboo in the city; a lot of it leaning over property lines.

Ms. Porter asked if it would it make sense to create a deeper set-back.

Mr. Linkletter responded that the further back, the better prevention of stalks leaning over the property line.

Mr. Williams commented that with any growth that extends over a property line, it is the responsibility of the “leanee” to deal with the leaning growth.

Ms. Porter returned attention to the e-mail comments and pictures.

Mr. Seamens said that he has bamboo that runs the entire length of a property he owns. Bamboo started on the other side of the property line. He and the new adjacent owner both want to get rid of the bamboo. He wondered if the regulation could be viewed as a good first step. The resident who sent the e-mail might be happy with the 6-foot set back. The Council could address the leaning and draping concerns of bamboo at a later time.

Ms. Porter recognized that she may be the only person who wants to address the leaning bamboo at this time.

Mr. Linkletter stated that proposed regulation sections “A” and “B” would work with the UMD document and he could add something in the text of the regulation to refer to the UMD document.

Mr. Seamens agreed, but said that in some way, there should be some appreciation in the

ordinance about the good faith effort to address the issue.

Mr. Williams clarified that the Council is providing guidance on the language of the regulation (not the ordinance).

Mr. Linkletter noted that the second issue deals with undesirable tree species. He explained how he devised a list of these species. It is included in the regulation (referred to page 3). He indicated that he had considered a few other tree species, but tried to keep the list as short as possible. He remarked about the trees and their nuisance qualities. There are a number of trees on the list that are not being actively planted by residents. The exception would be the Bradford Pear tree. It is extremely brittle and can be hazardous when it falls apart. He noted a couple of species that he had considered for the list, particularly noting the ones that the COE had recommended for inclusion on the list. He has no problem adding the other trees if the Council desires to do so. The Red Mulberry and Box Elder are native species. The COE had some reservations about inclusion of these species.

Mr. Seamens said that he is surprised to hear of the “native” species. What defines “native”? He commented on his reading that the Red Mulberry had been brought into this area to help with the silk worm control.

Bruce Sidwell (member of COE) responded that it was the White Mulberry.

Catherine Tunis (Chairperson, Committee on the Environment (COE)) noted that Bruce Sidwell put together the COE comments. He is prepared to go through the comments. We have a couple of other thoughts. The committee wants an opportunity to talk to staff and Council.

Ms. Porter said that a couple of suggestions could be worked out from the submitted comments.

Ms. Tunis commented that English Ivy is not mentioned in the law; but maybe, could be included in the regulation. She noted the suggestion that the replacement trees be native species. Trees still need protection from people parking on lawns—compaction pressure.

Ms. Porter said that she thinks that the third item came up outside of the Tree Ordinance. This can be confirmed with the City Attorney.

Mr. Williams stated that he believes, from previous discussions, that enforcement of vehicles parking on lawns (impacting root structure) falls under the Housing Code.

Ms. Porter agreed.

Ms. Tunis requested that this be confirmed.

Ms. Porter added that this is not covered in the language of the ordinance, so she does not believe that it should be attached to the provisions of the regulation.

Ms. Austin-Lane thinks that the concern should be addressed in this context. She wants to look further into the connection with the Tree Ordinance.

Ms. Matthews remarked that in her experience, it is more of a property maintenance issue. However, staff can explore the matter.

Ms. Austin-Lane suggested that the City Manager direct the Arborist to take a close look at properties where this may be an issue.

Ms. Matthews proposed that it may be a multi-pronged approach--across departments to keep an eye-out for this type of violation.

Ms. Porter stated that in terms of the English Ivy violation, doesn't it fall under the vine and vegetation section in the law?

Ms. Tunis agreed. She explained their rationale for naming it specifically in the regulation.

Mr. Seamens commented that it presents the same type of problem as bamboo, as in it does not respect borders.

Mr. Linkletter noted the language which refers to all vines that are growing on trees.

Ms. Porter restated the COE recommendation.

Ms. Tunis returned to the parking issue. It might be helpful for Mr. Linkletter to consult with Housing staff to explain the environmental impacts to tree roots and damage to soil structure.

Mr. Williams remarked about the installation of impervious surfaces. It would require a permit from the County, and we would discourage that type of circumvention.

Ms. Austin-Lane commented that the issue is not one of circumventing a process, but just parking on the lawn. If there are more items to be conveyed to staff, she hopes that it will happen soon.

Robert Goo (member of COE) noted his interpretation of the Chapter 12 section on bamboo (i.e., an intent that it was to be enforced on a complaint basis). He said that he has bamboo on his property. It will be difficult to enforce the regulation. The Arborist's time could be better spent in other areas. The high cost of removal may result in negative public opinion of the Tree Ordinance. He stated his concern about the environmental impact of chemical removal.

Ms. Porter said that the intent of the section in the Ordinance, was to allow a person to keep certain species on their own property, but to control it in such a way that it does not encroach on adjacent properties. The proposal was for a 6 foot set-back. She urged that the City engage in a public education process. Enforcement is generally complaint based. It is important to deal with

the worse case scenarios. She noted the public process related to adoption of the regulation.

Ms. Austin-Lane commented on the recommendation associated with the “undesirable trees.” She said that the Ginko tree is lovely; however, it has an undesirable quality (the female species). Is it really a gender issue?

Mr. Linkletter responded in the affirmative. He offered an explanation, noting that he is familiar with one in the City which has generated complaints.

Mr. Elrich expressed sentiment for Mr. Goo’s comments about the costs associated with growth control. He hopes that we craft the regulation in a way that we do not trigger “universal citizen police.”

Ms. Austin-Lane said that a 6 foot distance is moderate. A complaint should not necessarily be limited to immediate neighbors.

Ms. Porter recognized a lot of good ideas and expressed thanks for the input of the COE.

BREAK - The Council recessed for a scheduled break at 9:36 p.m. and later reconvened.

10. Orchard Avenue Parking Waiver.

Senior Planner Inerfeld described Dan Robinson’s development proposal and the request to increase the parking waiver on his property on Orchard Avenue. He remarked about the history of the initial proposal and contemplated parking. Mr. Robinson is requesting a waiver of 6 parking spaces. There is ample parking in the immediate area.

Mr. Robinson commented on the guidelines associated with overlay zones.

Mr. Inerfeld noted that Mr. Robinson’s building will face Orchard Avenue. The city is requiring him to pave the alleyway. Parking would be available on the alley.

Mr. Seamens asked about the community reaction.

Mr. Inerfeld responded that it is his understanding is that PineCrest Association is supportive.

Nellie Moxley (Chairperson, PineCrest Association) noted that the association took a formal action on the request. She remarked about some history of past recommendations regarding parking configurations. She wants a focus on crime considerations, in terms of how parking is arranged. Safety and crime are main focuses. The neighborhood supports the proposal. She is happy that Dan has worked with the community.

Mr. Robinson remarked about the M-NCPPC requirements.

Ms. Porter stated that the Council supported parking waivers in the past.

Ms. Moxley emphasized that the neighborhood has enjoyed working with Dan. He has been helpful and cooperative in the discussions. She suggested that the Council might consider signing the area where he will need parking.

Ms. Porter noted the separate process of designated parking.

Mr. Robinson remarked about his and the observations of a neighboring business owner upon a walk-through of the neighborhood. They counted about 59 vacant spots. They felt that they were a very ad-hoc parking authority through their efforts. They can approach neighboring businesses and residents to evaluate parking availability and needs.

CONSENSUS: The Council agreed to move forward with the action as proposed by staff.

11. FY06 Budget Considerations.

Ms. Matthews said that this is a preliminary numbers presentation, and she referred to the proposed budget schedule. She noted the information in her cover memo. Two significant differences in this and last year--bond monies for the community center and borrowing for street improvements. She remarked about the Undesignated, Fund Balance (\$700,000). We are in the very early stages of looking at the expenditure side of the equation. Department Heads are working on proposals. The Deputy City Manager has worked on some calculations for personnel costs (increase of \$605,000 – wage increases formalized in contracts, health insurance (13.4% increase) and the recent bond debt service). She talked with MD HCD staff last week, and they anticipate that interest rates will go up. However, they feel that the interest rate on the long term purchase may be less than a shorter term bond purchase. She has been estimating a \$225,000 annual debt service at this point, but has requested some projections from the state. She explained an estimated \$700,000 gap, at this early stage in projecting the FY06 Budget. It may be difficult to achieve two goals which are important to the Council—maintain the present level of service and at the same time, reduce the tax rate. She asked for guidance on which item the Council places a highest priority. She noted the Constant Yield Tax rate as compared to the current tax rate. Each penny on the tax rate generates about \$121,000.

Mr. Elrich questioned whether there would be a “gap” if we were to use the Fund Balance as the carry-over.

Ms. Matthews responded that she will better know in another couple of weeks. The numbers quoted are based on the current tax rate, which she recognizes as a concern.

Mr. Elrich remarked about his understanding of the carry-over—monies not treated as a reserve.

Ms. Austin-Lane asked for clarification about “reserves.”

Ms. Matthews responded.

Mr. Williams recalled previous years' preliminary discussions about the budget numbers. The "gap" has generally been a higher number. It sounds like the number for this year, in similar discussions, is a "zero gap."

Deputy City Manager Hobbs responded. At this point, we have not yet factored in a carry-over. It sounds better at this point, but we do not have the reserves that we have had in the past years. He noted the City Manager's reluctance to use the entire unappropriated monies.

Mr. Elrich said that he does not want to increase reserves and tax residents more to increase those reserves.

Ms. Matthews responded that we will try not to hold onto the public's money without a specific project for its dedication. At the same time, it is important to keep and maintain a solid reserve level. We will be looking at the reserve as a percentage of expenditures. The Charter factors against revenues. It is important to look at both areas. Revenues could change. We should be cautious about taking monies from reserves. The City's reserve levels are not low or inappropriate.

Mr. Elrich recalled when he first came on the Council, and we had high reserves. We then made a decision to spend down that money and create other reserves. We have been drawing from those monies each year. He would like to see this year as one to continue to accomplish the community center. He is afraid that we could be taxing for higher reserves, which will not go over very well.

Ms. Matthews noted that this is a very early discussion. She is sensitive to the tax rate issue. She hopes that as we go through this the process, the gap will not be \$700,000, but we may have some hard choices to make.

Ms. Austin-Lane expressed appreciation for the City Manager's consideration of the concerns about the tax rate. She would like to see \$0.01 or more off of the tax rate.

Mr. Seamens agreed, adding to appreciation for the materials presented tonight. He has not always felt that some of the key issues from the departments are presented to the Council. If expenditures are needed, they should be identified (whether current or future budget year(s)). He remarked about the chemical pile at Public Works. It is terrible and relates to stormwater run-off considerations. The entire facility is dismal. We need to take care of business in other areas of the City.

Ms. Matthews indicated that she has asked Department Heads to submit a budget that they feel better meets the public needs. She has also asked them to identify service costs, and agrees that the Public Works facility could use a lot of work.

Mr. Hobbs commented that we have a preliminary lay-out and rough cost estimate for renovations for that facility.

Ms. Matthews believes that figure is roughly \$1M, she can have more discussions with Public Works Director Lott.

Mr. Williams said it is helpful to approach this process in a slightly different way. So, he appreciates the new approach. However, it is also helpful that we look at the process as compared to how we have dealt with it in the past. With respect to the tax rate, he wants to see it evaluated in consideration of where we are in the city with home values and tax rates. We should look at some reduction. He wants to look at the impact of splitting the difference between the current and constant yield tax rate. There are pressures coming which will impact the budget. He suggested a \$0.03 reduction.

Ms. Porter agreed that we need to reduce the tax rate, but recognized that we are adding in about \$0.02 for the bond on the community center. It makes sense to look at a tight budget and then add back in the things that we think are most important. She supports the City Manager's approach and that she bring back to the Council a discussion of things that get put back into the budget.

Mr. Elrich would like to hear a proposed reduction in the tax rate. He noted prior discussions of the County taking over certain services. We should come down by something close to \$0.03 with our rate. He wants to have a thorough discussion of reduction in services.

Ms. Matthews ensured that there will not be any surprises. If there are service levels where there will be an impact, it is her responsibility to flag these items for the Council. She has had a brief discussion with the County Executive's Office about the service level exchange being referred to by Mr. Elrich. Further discussions are to come.

Ms. Porter wants to hear the report from TASDI.

Mr. Seamens clarified that he is recommending something less than the constant yield tax rate.

Mr. Elrich said that he is not interested in cutting fundamental services. He remarked that in talking about cuts like that, we would be talking about things like getting rid of the Library.

Mr. Barry expressed interest in the results of the citizen survey. Desires for service levels and a lower tax rate have to be balanced. We need to hear from the TASDI Committee.

Ms. Austin-Lane noted remarks made by a Chevy Chase resident in evaluating services (service, tax rate reduction, etc.).

Ms. Porter commented on the high price of real estate in Chevy Chase. We have a diverse residential population.

Mr. Barry noted the commercial base of some Chevy Chase Sections.

Ms. Matthews identified the highlights of the budget schedule.

Mr. Seamens expressed thanks for the schedule. He hopes that we do not have to use the Thursday meetings in the budget process. Last year, it was an anomaly and he was again, disappointed to see the compressed schedule.

Ms. Matthews remarked about the timing of availability of revenue figures. She wants to work with better numbers.

Ms. Porter said that she does not agree that this is an anomaly year. The past few have been the anomalies. There was a time when we did meet on Thursday evenings--going back to the time of former City Manager Habada.

Ms. Austin-Lane added thanks for the schedule.

Mr. Barry remarked that it is helpful to focus on program and problematic things, and not just a lot of data.

Ms. Matthews responded that she is happy to hear his response. It is consistent with direction given to staff this year. We want to provide the public with information, but want to work toward structuring the document and process in a way that helps the Council best focus on its policy making function.

Ms. Porter said she wants to see the budget document formatted in a way that is easily understood by the public.

Ms. Matthews agreed.

Ms. Porter expressed appreciation for the work involved in this planning.

ADJOURNMENT

The Council adjourned at 10:49 p.m.